

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**ADMINISTRATIVE RULE  
FISCAL IMPACT STATEMENT**

**PROPOSED RULE:** LSA #01-392  
**STATE AGENCY:** State Board of Animal Health

**DATE PREPARED:** May 17, 2002  
**DATE RECEIVED:** Apr 18, 2002

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**Digest of Proposed Rule:** This rule amends requirements in 345 IAC 8 for the production, transportation, and processing of milk and milk products. The rule adds a requirement that Grade A farm bulk milk tanks must be equipped with automatic start-up equipment for cooling and agitation. Other changes pertaining to milk products inspection are also made. This rule becomes effective 30 days after filing with the Secretary of State.

**Governmental Entities:** The rule will result in no fiscal impact to state or local government.

**Regulated Entities:** The rule provides that in order to acquire a Grade A farm permit, the farm bulk milk cooling and holding tank must be equipped with automatic controls. Currently 1,578 farms hold a Grade A permit. Approximately 494 farms would not have the required controls. Costs to add the controls range from \$500 to \$1,500. Assuming the maximum costs, farms that would require new controls would need to expend \$741,000.

**Information Sources:** Gary Haynes, Director, Legal Affairs, Indiana State Board of Animal Health, 805 Beachway Drive, Ste. 50, Indianapolis, IN 46224, 317. 227.0300.